



Your Defined Benefit Program Service Retirement Estimate

Joe Smith
800 Main Street
Stockton, CA 95204

Member's SSN: XXX-XX-1512
Member's Birth Date: 12/09/1940

Congratulations, as a vested member in the California State Teachers' Retirement System Defined Benefit Program, this personal service retirement estimate is provided as an enhanced service to you. The specific allowance estimate provided below is based on service credit as of June 30, 2001, your 2000/2001 salary and assumes you earn one year of service credit annually to the projected retirement dates.

Allowance Estimates		Age 61		Age 62	
Projected Retirement Date		06/30/2002		06/30/2003	
Service Credit as of 06/30/2001		12.000		12.000	
Service Credit to Projected Retirement Date	+	1.000		+	2.000
Total Service Credit	=	13.000		=	14.000
Age Factor	X	.0220		X	.0233
Final Compensation	X	\$	8,502.38	X	\$ 8,502.38
Unmodified Allowance	=	\$	2,431.68	=	\$ 2,777.05
Longevity Bonus	+	\$	0.00	+	\$ 0.00
Total Unmodified Allowance	=	\$	2,431.68	=	\$ 2,777.05

In one or both of the above estimates, you may be eligible for benefit enhancements. Please see the enclosed information sheet for definitions of the terms used above.

Changes to Unmodified Allowance (Pre-Retirement Option)

Option Beneficiary Name	Betty Smith				
Option Beneficiary Birth Date	01/16/1958				
Option	6		6		
Option Effective Date	06/18/2001		06/18/2001		
Unmodified Allowance	\$	2,431.68	\$	2,777.05	
Option Factor	X	.7908	X	.7908	
Total Estimated Allowance	=	\$ 1,920.86	=	\$ 2,193.68	

Please see the reverse side of this form for an explanation of options.

This service retirement estimate does not create any right to benefits. In the event of a conflict between the information presented here and the law, the law prevails.

Information About Options

What is an option?

An option is a Defined Benefit Program feature that allows you to, if you wish, provide a lifetime benefit to another person, or persons, after you die. Details of each option are shown on the right.

You may either elect an option prior to retirement (at age 50 with 30 years of service credit, or at age 55 with five or more years of service credit), or you may elect an option at retirement. There are advantages and disadvantages to electing the option before retirement.

Advantages of a Pre-retirement Option

- The allowance modification is based on your age and the age of your option beneficiary. Generally, the younger you are when you make an election, the lower the reduction in the retirement allowance.
- By making a pre-retirement election, you ensure that your option beneficiary, or beneficiaries, receives the lifetime monthly allowance even if you die before you retire.

Disadvantages of a Pre-retirement Option

- If you cancel or change your pre-retirement election of an option before you retire, or if your option beneficiary predeceases you, your lifetime monthly retirement allowance may be reduced.
- If you take a disability retirement, the pre-retirement election of an option is cancelled and you must make a new election. It can be the same option and beneficiary as before.

Once you retire, your option election is irrevocable, except under limited circumstances. Therefore it is important for you to carefully consider all aspects of leaving a lifetime allowance to another person or persons. To obtain more information about options, see the CalSTRS Member Handbook, the CalSTRS Website or call Teletalk, 1-800-228-5453.

Stay Current on Legislative Changes

CalSTRS makes every effort to keep its members informed about changes in its benefit structure. CalSTRS cannot safely predict how laws might change in a manner that might be of interest to you. Therefore, you should keep yourself informed about possible benefit changes because you are ultimately responsible for any decision you make in regard to your CalSTRS retirement.

Option Details

(there is no Option 1)

Option 2

Provides you with a modified monthly allowance. Upon your death, your option beneficiary continues to receive the same monthly allowance you received.

Option 3

Provides you with a larger monthly allowance than under Option 2. However, upon your death, your option beneficiary receives one-half of the amount you received.

Option 4

Provides a modified monthly allowance while both you and your option beneficiary are alive. Upon the death of either of you, the survivor receives two-thirds of the modified allowance.

Option 5

Provides a modified monthly allowance while both you and your option beneficiary are alive. Upon the death of either of you, the survivor receives one-half of the modified allowance.

Option 6

Provides you with a modified monthly retirement allowance. Upon your death, your option beneficiary continues to receive the same modified allowance that you received. If your option beneficiary dies before you, your allowance rises to the unmodified level.

Option 7

Provides you with a modified monthly retirement allowance. Upon your death, your option beneficiary receives one-half of the modified allowance that you received. If your option beneficiary dies before you, your allowance rises to the unmodified level.

Option 8

Provides an opportunity for you to designate multiple option beneficiaries.

- You must select from among Options 2 through 7 for each beneficiary. The Option 8 modified monthly retirement allowance depends on the ages and options selected.
- You may retain a portion of your allowance as unmodified and/or select a different allowance percentage for each beneficiary.
- Upon your death, your option beneficiaries will each receive an allowance as provided by the formula used to calculate benefits under each option selected. If an option beneficiary predeceases you, your allowance will change as stated under the selected option.